

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**ADMINISTRATIVE RULE
FISCAL IMPACT STATEMENT**

PROPOSED RULE: LSA Doc #05-26
STATE AGENCY: Department of Insurance (DOI)

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Digest of Proposed Rule: The rule adds IAC 1-71 which pertains to costs charged for providing copies of medical records.

IC 16-39-9 specifies rates that can be assessed for copying medical records. DOI has the authority to adjust the rates. Currently, the statute allows for a labor fee of \$15 and a per page fee of \$0.25. The Health Insurance Portability and Accountability Act (HIPAA) provides that a patient may not be charged a labor fee. DOI has proposed the following rate structure: the delivery costs of the document plus \$1 per page for the first 10 pages; \$0.50 per page for pages 11 through 50; and \$0.25 per page for pages 51 and higher.

Governmental Entities: The DOI will not incur any additional administrative expenses or savings. Any state or locally owned health care provider that provides copies of medical records could experience an increase in revenue generated from increased fees.

Regulated Entities: Because the rule allows for an increase in fees assessed clients who obtain copies of medical records, adoption of the rule will result in increased revenue generated from the collection of fees, assuming that the demand for copies of medical records remains constant.

Insurance companies could be subject to the \$20 labor fee and increased rates for copies. Because insurance companies do not typically request a copy of the entire medical record, they will likely be assessed only the increased labor fee, which is a \$5 increase over current costs.

If health care providers do not outsource copying services, the providers have not passed on the cost of copying. Increased fees will reduce expenses for health care providers. The specific impact is indeterminable.

If service providers experienced an increase in costs associated with HIPAA privacy protections, but were unable to recuperate these costs, the proposed rule would allow the providers to recuperate these expenses and more accurately price the service.

The impact on consumers would be an increase in the per page costs of copying. The proposal provides a sliding scale for fees based on the number of pages requested. Larger requests will experience less of an increase than requests for fewer pages.

Information Sources: Amy Strati, Department of Insurance.